12:00 Noon

MINISTER INTRODUCED

THE PRIME MINISTER (DR. MANMOHAN SINGH): Hon. Chairman, Sir, with your permission, I wish to introduce to you and through you to this august House my colleague, Shrimati V. Radhika Selvi, Minister of State in the Ministry of Home Affairs who has recently been inducted into the Council of Ministers. *(Interruptions)*

डा. वी. मैत्रेयन (तमिलनाडु): सर, एक चपरासी को appoint करते समय भी ...(व्यवधान)... वैरिफिकेशन होता है। ...(व्यवधान)...

MR. CHAIRMAN: Please sit down. *(Interruptions)*.

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU): Sir, they are just...*(Interruptions)*.

PAPERS LAID ON THE TABLE

Memorandum of Understanding (2007-2008) between the *Government of India and HDPEL*

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU): Sir, I lay on the Table, a copy (in English and Hindi) of the Memorandum of Understanding between the Government of India (Ministry of Shipping, Road Transport and Highways, Department of Shipping) and the Hoogly Dock and Port Engineers Limited (HDPEL), for the year 2007-2008. [Placed in Library. *See* No. L.T. 6839/07]

Notifications of the Ministry of Finance

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): Sir, I lay on the Table

(i) A copy each (in English and Hindi) of the following Notifications of the Ministry of Finance (Department of Revenue), under sub-section (4) of section 94 of the Finance Act, 1994, together with Explanatory Memoranda on the Notifications:-

(1) G.S.R. 349 (E) dated the 12th May, 2007, publishing the Service Tax (Third Amendment) Rules, 2007. [Placed in Library. *See* No. L.T. 6668/07]

(2) G.S.R. 350 (E) dated the 12th May, 2007, publishing Notification No. 21/2007-Service Tax dated the 12th May, 2007, amending G.S.R. 239 (E) dated the 19th April, 2005, including/inserting Secondary and Higher Education Cess under the category of duties and Cess eligible for the purpose of rebate of service tax for exports.

(3) G.S.R. 351 (E) dated the 12th May, 2007, publishing Notification No. 22/2007-Service Tax dated the 12th May, 2007, amending G.S.R. 240 (E) dated the 19th April, 2005, including Secondary and Higher Education Cess under the category of duties and cess eligible for the purpose of rebate of service tax for exports. [Placed in Library. For (2) and (3) *See* No. L.T. 6669/07]

(4) G.S.R. 369 (E) dated the 22nd May, 2007, publishing Notification No. 23/2007- Service Tax dated the 22nd May, 2007, seeking to appoint 1st June, 2007 as the date on which the provisions of clause (A) and clause (B) of section 135 of the Finance Act, 2007 shall come into force. [Placed in Library. *See* No. L.T. 6670/07]

(5) G.S.R. 370 (E) dated the 22nd May, 2007, publishing Notification No. 24/2007- Service Tax dated the 22nd May, 2007, exempting taxable service provided by any person in relation to renting of immovable property from service tax equivalent to service tax payable on the amount of property tax, actually paid by the service provided to the local bodies, with effect from the 1st June, 2007.

(6) G.S.R. 371 (E) dated the 22nd May, 2007, publishing Notification No. 25/2007- Service Tax dated the 22nd May, 2007, exempting commercial or industrial construction service, and service provided in relation to the execution of works contract, provided to any person by any other person in relation to construction of a port or other port, from the whole of the service tax leviable thereon with effect from the 1st June, 2007.

(7) G.S.R. 372 (E) dated the 22nd May, 2007, publishing Notification No. 26/2007- Service Tax dated the 22nd May, 2007, rescinding G.S.R. 358 (E) dated the 7th June, 2005, with effect from the 1st June, 2007.

(8) G.S.R. 373 (E) dated the 22nd May, 2007, publishing Notification No. 27/2007- Service Tax dated the 22nd May, 2007, amending G.S.R. 849 (E) dated the 31st December, 2004, with effect from the 1st June, 2007, so as to substitute the reference to various telecommunication related taxable services.

(9) G.S.R. 374 (E) dated the 22nd May, 2007, publishing the Service Tax (Fourth Amendment) Rules, 2007.

(10) G.S.R. 375 (E) dated the 22nd May, 2007, publishing the Service Tax (Determination of Value) (Amendment) Rules, 2007.

(11) G.S.R. 376 (E) dated the 22nd May, 2007, publishing the Export of Services (Second Amendment) Rules, 2007.

(12) G.S.R. 377 (E) dated the 22nd May, 2007, publishing the Taxation of Services (Provided from Outside India and Received in India) (Amendment) Rules, 2007.

(13) G.S.R. 378 (E) dated the 22nd May, 2007, publishing the Works Contract (Composition Scheme for Payment of Service Tax) Rules, 2007. [Placed in Library. *See* No. For (5) to (13) L.T. 6668/07]

(ii) A copy each (in English and Hindi) of the following Notifications of the Ministry of Finance (Department of Revenue), under sub-section (7) of section 9A of the Customs Tariff Act, 1975, together with Explanatory Memoranda on the Notifications:-

(1) G.S.R. 316 (E) dated the 30th April, 2007, publishing Notification No. 59/2007-Customs dated the 30th April, 2007, seeking to provisionally

exempting imports of vitrified and porcelain tiles, other than industrial vitrified tiles, produced and exported by specified parties from anti-dumping duty imposed under Notification G.S.R. 376 (E) dated the 1st May, 2003.

(2) G.S.R. 317 (E) dated the 30th April, 2007, publishing Notification No. 60/2007-Customs dated the 30th April, 2007 seeking to amend Notification No. G.S.R. 186 (E) dated the 9th March, 2007, so as to exempt provisionally, import of goods, produced by M/s Guangdong Monalisa Ceramic Co. Ltd, Peoples Republic of China and exported by M/s Foshan Monalisa Industry Co. Ltd, Peoples Republic of China through M/s. Ava Corp., Hong Kong., from anti-dumping duty imposed under Notification 73/2003-Customs dated the 1st May, 2003.

(3) G.S.R. 329 (E) dated the 7th May, 2007, publishing Notification No. 64/2007-Customs dated the 7th May, 2007, seeking to impose final anti dumping duty, based on recommendation of designated authority in the sunset review findings, on imports of Zinc Oxide, originating in, or exported from, the Peoples Republic of China.

(4) G.S.R. 336 (E) dated the 9th May, 2007, publishing Notification No. 65/2007-Customs dated the 9th May, 2007, amending G.S.R. 127 (E), dated the 20 February, 2007 so as to remove the reference to price undertaking given by M/s. Taiwan Pulp and Paper Corporation, Taiwan and non applicability of anti-dumping duty on Potassium Carbonate, exported by M/s. Taiwan Pulp and Paper Corporation, Taiwan.

(5) G.S.R. 337 (E) dated the 9th May, 2007, publishing Notification No. 66/2007-Customs dated the 9th May, 2007, seeking to impose provisional anti-dumping duty on import of Potassium Carbonate of any specification, exported by M/s. Taiwan Pulp and Paper Corporation, Taiwan (Chinese Taipei), into India, in view of the revocation of the price undertaking by the designated authority.

(6) G.S.R. 343 (E) dated the 11th May, 2007, publishing Notification No. 67/2007-Customs dated the 11th May, 2007 seeking to extend levy of anti-dumping duty imposed *vide* Notification No. 73/2003-Customs, dated the 1st May, 2003, on imports of vitrified and porcelain tiles, other than vitrified industrial tiles, originating in, or exported from, the Peoples Republic of China and United Arab Emirates (UAE), upto and inclusive of the 1st May, 2008 pending finalization of sunset review investigation being conducted by the Directorate General of Anti-dumping and Allied duties.

(7) G.S.R. 436 (E) dated the 19th June, 2007, publishing Notification No. 77/2007-Customs dated the 19th May, 2007, seeking to impose provisional anti-dumping duty on imports of Acetone, originating in, or exported from, European Union, Chinese Taipei, Singapore, South Africa and the United States of America (USA), into India.

(8) G.S.R. 452 (E) dated the 29th June, 2007, publishing Notification No. 78/2007-Customs dated the 29th June, 2007, seeking to impose

definitive anti-dumping duty on imports of Compact Disc-Recordable (CD-Rs) falling under tariff heading 8523 40 of the Customs Tariff, originating in or exported, to India, from the Peoples Republic of China, Hong Kong, Singapore and Chinese Taipei.

(9) G.S.R. 477 (E) dated the 11th July, 2007, publishing Notification No. 86/2007-Customs dated the 10th July, 2007, seeking to impose final anti-dumping duty on imports of partially oriented yarn, originating in or exported from, Thailand, Indonesia, Malaysia and Chinese Taipei, at the rates recommended by the designated authority in the, Sunset Review findings. [Placed in Library. For (1) to (9) *See* No. L.T. 6674/07]

(iii) A copy each (in English and Hindi) of the following Notifications of the Ministry of Finance (Department of Revenue), under sub section (2) of section 38 of the Central Excise Act, 1944 together with Explanatory Memoranda on the Notifications:-

(1) G.S.R. 307 (E) dated the 25th April, 2007, publishing Notification No. 20/2007-Central Excise dated the 25th April, 2007, providing for excise duty exemption scheme for industrial units located in the North Eastern Region including Sikkim, to give effect to the new North East Industrial and Investment Promotion Policy, 2007.

(2) G.S.R. 308 (E) dated the 25th April, 2007, publishing Notification No. 21/2007-Central Excise dated the 25th April, 2007, amending G.S.R. 508 (E), dated the 8th July, 1999, G.S.R. 509 (E), dated the 8th July, 1999, G.S.R. 513 (E) dated the 25th June, 1999 and G.S.R. 717 (E), dated the 9th September, 2003, to carry out certain changes in original Notification relating to Sikkim, to exclude specified goods and specified processes from availing of excise duty exemptions.

(3) G.S.R. 309 (E) dated the 25th April, 2007, publishing Notification No. 24/2007-Central Excise (NT) dated the 25th April, 2007, publishing the CENVAT Credit (Fourth Amendment) Rules, 2007. [Placed in Library. *See* No. For (1) to (3) L.T. 6671/07]

(4) G.S.R. 310 (E) dated the 25th April, 2007, publishing Notification No. 25/2007-Central Excise (NT) dated the 25th April, 2007, prescribing the procedure, conditions for claiming refund of unutilized CENVAT Credit to units located in North Eastern States in terms of rule 5A of the CENVAT credit Rules, 2004. [Placed in Library. *See* No. L.T. 6672/07]

(5) G.S.R. 321 (E) dated the 3rd May, 2007, publishing Notification No. 22/2007-Central Excise dated the 3rd May, 2007, amending G.S.R. 93 (E), dated the 1st March, 2006, so as to (a) exempt ready to eat packaged food, texturized vegetable proteins *(soya bari)* and biscuits of MRP equivalent not exceeding Rs.100 per kg from excise duty; and reduce specific excise duty on handmade *biris* by Rs. 2 per thousand sticks and on machine made *biris* by Rs. 3 per thousand sticks.

(6) G.S.R. 322 (E) dated the 3rd May, 2007, publishing Notification No. 23/2007-Central Excise dated the 3rd May, 2007, amending G.S.R. 94 (E),

dated the 1st March, 2006, so as to (a) provide a concessional rate of excise duty of 12% of retail sale price on Portland cement (other than white cement) in packaged form of retail sale price more than Rs. 190 per 50 kg bag but less than Rs.250 per 50 kg bag or of equivalent retail sale price exceeding Rs. 3800 PMT but not exceeding Rs. 5000 PMT; and (b) exempt particle boards, fibre boards of wood or of ligneous materials from excise duty.

(7) G.S.R. 323 (E) dated the 3rd May, 2007, publishing Notification No. 24/2007-Central Excise dated the 3rd May, 2007, amending G.S.R. 96 (E), dated the 1st March, 2006, so as to (a) extend concessional rate of 8% excise duty on water purification equipment based on ultra-filtration technology using polysulphone membranes, refrigerated motor vehicles and slide fasteners including zip fasteners; and (b) exempt specified aircrafts from excise duty.

(8) G.S.R. 347 (E) dated the 12th May, 2007, publishing Notification No. 25/2007-Central Excise dated the 12th May, 2007, exempting Secondary and Higher Education cess excisable goods to the extent chargeable on Education cess on excisable goods was in the Finance Bill, 2007 rescinding Notification G.S.R. 147 (E) dated the 1st March, 2007.

(9) G.S.R. 348 (E) dated the 12th May, 2007, publishing Notification No. 27/2007-Central Excise (N.T.) dated the 12th May, 2007, publishing the CENVAT Credit (Sixth Amendment) Rules, 2007.

(10) G.S.R. 418 (E) dated the 6th June, 2007, publishing Notification No. 26/2007-Central Excise dated the 6th June, 2007, amending G.S.R. 265 (E), dated the 31st March, 2003, so as to allow clearance or de-bonding of the goods other than capital goods at the time of exit from Export Oriented Undertaking (EOU) or Software Technology Park (STP) or Electronic Hardware Technology Park (EHTP) unit under Advance Authorisation as a one time option provided the EOU/STP/EHTP unit has fulfilled positive Net Foreign Exchange Earnings (NFE).

(11) G.S.R. 428 (E) dated the 14th June, 2007, publishing Notification No. 27/2007-Central Excise dated the 14th June, 2007, amending G.S.R. 537 (E) dated the 17th August, 2005, so as to extend the last date for construction of such houses from the 31st July, 2007 to 31st March, 2008.

(12) G.S.R. 474 (E) dated the 6th July, 2007, publishing Notification No. 29/2007-Central Excise dated the 6th July, 2007, amending G.S.R. 265 (E), dated the 31st March, 2003 and G.S.R. 266 (E), dated the 31st March, 2003, substituting certain entries in original Notification.

(13) G.S.R. 478 (E) dated the 10th July, 2007, publishing Notification No. 30/2007-Central Excise dated the 10th July, 2007 amending G.S.R. 256 (E) dated the 16th March, 1995, so as to exempt machinery, equipment, instruments, components, spares, jigs, fixtures, dies, tools, accessories, computer software, raw materials and consumables required for

the Long Range Surface to Air Missile (LR-SAM) Programme of the Ministry of Defence. [Placed in Library. For (5) to (13) *See* No. L.T. 6673/07]

(iv) A copy each (in English and Hindi) of the following Notifications of the Ministry of Finance (Department of Revenue) under section 159 of the Customs Act, 1962, together with Explanatory Memoranda on the Notifications:-

(1) G.S.R. 324 (E) dated the 3rd May, 2007, publishing Notification No. 61/2007-Customs, dated the 3rd May, 2007, amending G.S.R. 118 (E), dated the 1st March, 2002, to reduce customs duty on nickel and articles of nickel, cut and polished diamonds, N-Paraffin, specified imports of aircraft and their parts, and refrigerated motor vehicles.

(2) G.S.R. 325 dated the 3rd May, 2007, publishing Notification No. 62/2007-Customs, dated the 3rd May, 2007, reducing customs duty on export of iron ore fines of Fe content 62% and below from Rs. 300 per tonne to Rs. 50 per tonne.

(3) G.S.R. 332 (E) dated the 8th May, 2007, publishing Notification No. 48/2007-Customs, (N.T.), dated the 8th May, 2007, amending Notification No. 1/64-Customs, dated the 18th January, 1964 which prohibits import of certain goods, so as to (i) align the provisions of the Notification with the provisions of the Trade Marks Act, 1999; and (ii) to delete the provisions which prohibit import of goods which infringe right of the right holders.

(4) G.S.R. 333 (E) dated the 8th May, 2007, publishing Notification No. 49/2007-Customs, (NT) dated the 8th May, 2007, seeking to prohibit import of goods infringing the intellectual property right of right holders under Intellectual Property laws namely, the Copyright Act, 1957, the Trade Marks Act, 1999, the Patents Act, 1970, the Designs Act 2000 and the Geographical Indications of Goods (Registration and Protection) Act, 1999.

(5) G.S.R. 334 (E) dated the 8th May, 2007, publishing Notification No. 50/2007-Customs, (NT) dated the 8th May, 2007, seeking to (i) supersede Notification No. 135/60 Customs dated the 31st December, 1960 which prohibited export of goods infringing certain provisions of Trade and Merchandise Marks Act, 1958 (ii) prohibits export of goods which infringe certain provisions of the Trade Marks Act, 1999.

(6) G.S.R. 344 (E) dated the 12th May, 2007, publishing Notification No. 68/2007- Customs, dated the 12th May, 2007, seeking to rescind Notification G.S.R 118 (E) dated 1 st March 2007.

(7) G.S.R. 345 (E) dated the 12th May, 2007, publishing Notification No. 69/2007- Customs, dated the 12th May, 2007, amending G.S.R. 125 (E), dated the 1st March, 2007, seeking to maintain the existing exemptions from Secondary and Higher Education cess.

(8) G.S.R. 346 (E) dated the 12th May, 2007, publishing Notification No. 70/2007- Customs, dated the 12th May, 2007, rescinding Notification G.S.R. 124 (E) dated 1st March, 2007.

(9) G.S.R. 355 (E) dated the 14th May, 2007, publishing Notification No. 71/2007- Customs, dated the 14th May, 2007, amending G.S.R. 118(E), dated the 1st March, 2002, so as to extend this exemption upto 31st March 2009.

(10) G.S.R. 414 (E) dated the 5th June, 2007, publishing. Notification No. 75/2007- Customs, dated the 5th June, 2007 amending G.S.R. 434 (E), dated the 12th May, 2007,

(11) G.S.R. 417 (E), dated the 6th June, 2007, publishing Notification No. 76/2007-Customs, dated the 6th June, 2007, amending (i) G.S.R. 360 (E) dated the 16th May, 2001, so as to add a new laboratory M/s International Diamond Laboratories DMCC, Dubai in the list of approved laboratories for certification and grading of cut and polished diamonds of 0.25 carat or above in alignment with Para 4A.2 of Foreign Trade Policy (ii) G.S.R. 289 (E) dated the 28th April, 1999, so as to create another category of rhodium-finish silver jewellery for allowing duty free import of goods equal to 3% of the Free on Board (FOB) value of the export of rhodium-finish silver jewellery in the preceding year. and (iii) G.S.R. 274 (E) dated the 31st March, 2003 to allow clearance of debonding of goods other than capital goods at the time of exit from EOU/STP/EHTP.

(12) G.S.R. 453 (E) dated the 29th June, 2007, publishing Notification No. 79/2007- Customs, dated the 29th June, 2007, amending G.S.R. 393 (E), dated the 30th June, 2006, so as to reduce the customs duty to 50% of the existing preferential rate only for Least Developing Countries (LDCs) of SAFTA (*i.e.*, Bangladesh, Bhutan, Nepal and Maldives) leaving rates 5% or below unchanged.

(13) G.S R. 454 (E) dated the 29th June, 2007, publishing Notification No. 80/2007- Customs, dated the 29th June, 2007, amending G.S.R. 394 (E), dated the 30th June, 2006, so as to reduce the specific component of the mixed rates of duties for 213 textiles lines by fifty per cent of the existing preferential rates when imported from SAFTA member states.

(14) G.S.R. 463 (E) dated the 3rd July, 2007, publishing Notification No. 82/2007- Customs, dated the 3rd July, 2007, exempting the additional duty of customs (in lieu of State Excise Duty) on imported spirit/liquor, wines and beer so imposed under Notification G.S.R. 167 (E) dated the 1st March, 2003.

(15) G.S.R. 466 (E) dated the 4th July, 2007, publishing Notification No. 83/2007- Customs, dated the 4th July, 2007, amending G.S.R. 411 (E), date the 9th July, 2004 so as to exempt wines falling under headings 2204 and 2205, and tariff item 2206 00 00 from 2% Education Cess and 1% Secondary and Higher Education Cess of Customs.

(16) G.S.R. 473 (E), dated the 6th July, 2007, publishing Notification No. 84/2007-Customs dated the 6th July, 2007, amending G.S.R. 28(E) dated the 18th January, 1994, G.S.R. 569 (E) dated the 16th December, 1996, G.S.R. 399 (E) dated the 5th May, 2000, G.S.R. 413 (E) dated the 8th May, 2000 and G.S.R. 274 (E) dated the 31st March, 2003, specifying effective rates of customs duty on certain items.

(17) G.S.R. 476 (E) dated the 10th July, 2007, publishing Notification No. 85/2007- Customs, dated the 10th July, 2007, amending G.S.R. 291 (E), date the 23rd July, 1996 so as to exempt Machinery, equipment, instruments, components, spares, jigs, fixtures, dies tools, accessories, computer software, raw materials and consumables required for the Long Range Surface to Air Missile (LR-SAM) Programme of Ministry of Defence. [Placed in Library. For (1) to (17) *See* No. L.T. 6673/07]

M.O.U. 2006-07 and 2007-08 between Government of India and CCI

THE MINISTER OF STATE IN THE DEPARTMENT OF HEAVY INDUSTRY MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRIMATI KANTI SINGH): Sir, I lay on the Table, a copy each (English and Hindi) of the following papers:

(i) Memorandum of Understanding between the Government of India (Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industry) and the Cement Corporation of India Limited (CCI), for the year 2006-2007. [Placed in Library. *See* No. L.T. 7025/07]

(ii) Memorandum of Understanding between the Government of India (Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industry) and the Cement Corporation of India Limited (CCI), for the year 2007-2008. [Placed in Library. *See* No. L.T. 7026/07]

REPORT OF THE COMMITTEE ON PAPERS LAID ON THE TABLE

SHRIMATI SYEDA ANWARA TAIMUR (Assam): Sir, I present the One Hundred-ninth Report (in English and Hindi) of the Committee on Papers Laid on the Table regarding Government Notifications/Orders and Annual Reports and Audited Accounts of Government Companies/Organisations laid on the Table of Rajya Sabha during the 209th Session.

REPORT OF THE DEPARTMENT RELATED PARLIAMENTARY STANDING COMMITTEE ON INDUSTRY

श्री कलराज मिश्र (उत्तर प्रदेश): महोदय, मैं "टायर कॉर्पोरेशन ऑफ इंडिया लिमिटेड (स्वामित्व का अपविनिधान) विधेयक, 2007" (भारी उद्योग और लोक उद्यम मंत्रालय) के संबंध में विभाग संबंधित उद्योग संबंधी संसदीय स्थायी समिति का दो सौ तीनवा प्रतिवेदन (अंग्रेजी तथा हिंदी में) प्रस्तुत करता हूं।